



Howladar Yunus & Co.

CHARTERED ACCOUNTANTS

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Auditors' Report on Financial Audit of
"hood programme for women" in Basatpur, Jessore,
Supported by: City Bank Ltd., Bangladesh
Initiated by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision & Monitoring by
Management and Resources Development Initiative (MRDI)
Period: From December 03, 2011 to December 31, 2012

**Auditors' Report on Financial Audit of
"Livelihood programme for women" in Basatpur, Jessore,
Supported by: City Bank Ltd., Bangladesh
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision & Monitoring by
Management and Resources Development Initiative (MRDI)
For the period: From December 03, 2011 to December 31, 2012**

**Submitted by
Howladar Yunus & Co.
Chartered Accountants**

June 20, 2013

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Auditor's Report

We have audited the accompanying Financial Statements of the project titled "Livelihood programme for women" implemented by Management and Resources Development Initiative (MRDI), supported by City Bank Ltd. Which comprise the Balance Sheet as on December 31, 2012 and the related Statement of Income & Expenditure and Statement of Receipts and Payments for the period from December 03, 2011 to December 31, 2012 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on the auditors judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of project titled "Livelihood programme for women" implemented by Management and Resources Development Initiative (MRDI), supported by City Bank Ltd., and its financial performance and its Cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standard.



Chartered Accountants

Dated: Dhaka
June 20, 2013

Project: Livelihood Programme for Women
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision and Monitoring by: Management and Resources Development Initiative (MRDI)
Funded by: The City Bank Ltd.
Balance Sheet
As on December 31 , 2012

Assets	Note	Amount in Taka
Property & Assets:		
Cash in hand & Cash at Bank	3	665,472
Fixed Assets	4	1,507,789
Total Asset		2,173,261
Fund & Liabilities		
Outstanding liabilities	5	105,200
Unutilized Fund	6	560,272
Fixed Asset Fund	7	1,507,789
Total Fund & Liabilities		2,173,261

The annexed notes form an integral part of this financial statements


Manager, Finance


Executive Director

Signed as per our annexed report of even date


Chartered Accountants

Dated : Dhaka
June 20, 2012

Project: Livelihood Programme for Women
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision and Monitoring by: Management and Resources Development Initiative (MRDI)
Funded by The City Bank Ltd.
Statement of Income & Expenditure
From December 03, 2011 to December 31, 2012

Particulars	Note	Amount in Taka
Income:		
Grants Income	9	1,244,808
Total Income		1,244,808
Expenditure:		
Salary & allowances	10	424,500
Center Launching		78,815
Trainee Allowances	11	384,050
Training materials		135,799
Office Expenses	12	49,756
Audit fees		23,000
Project Operational Expense	13	148,888
Total Expenditure		1,244,808

The annexed notes form an integral part of this financial statements


Manager, Finance


Executive Director

Signed as per our annexed report of even date


Chartered Accountants

Dated: Dhaka
June 20, 2012

Project: Livelihood Programme for Women
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision and Monitoring by: Management and Resources Development Initiative (MRDI)
Funded by: The City Bank Ltd.
Statement of Receipt and Payment
From December 03, 2011 to December 31, 2012

Particulars	Note	Amount in Taka
Opening Balance		-
Receipts:		
Grants Received	8	3,297,655
Interest on Bank Deposit		15,214
Total Receipts		3,312,869
Payments:		
Salary & allowances		370,600
Fixed assets		1,494,989
Center Launching		78,815
Trainee Allowances		368,550
Training materials		135,799
Office Expenses	12	49,756
Project Operational Cost	13	148,888
Total Payment		2,647,397
Closing Balance		
Cash at Bank		665,472
Total		3,312,869

The annexed notes form an integral part of this financial statements


Manager, Finance


Executive Director

Signed as per our annexed report of even date


Chartered Accountants

Dated: Dhaka
June 20, 2012

Management and Resources Development Initiative (MRDI)
Project: Livelihood Programme for Woman,
Funded by: The City Bank Ltd., Bangladesh,
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under supervision and Monitoring by MRDI
Notes to the Financial Statements
As on 31 December 2012

0 Background Material Information:

01 About the Organizations

01.01 Management and Resources Development Initiative (MRDI)

Management and Resources Development Initiative (MRDI) established in the year 2003, registered with the office of the Register of Joint Stock Companies and Firms, Government of the Peoples Republic of Bangladesh under Companies Act 1994 vide certificate of Incorporation No. C-544(57)/2003 dated 13 May 2003. It is also registered with the NGO Affairs Bureau having registration # 1962 dated 21.09.2004 under the Foreign Donation Regulation Ordinance 1978 which was renewed on 19 November, 2009.

Management and Resources Development Initiative (MRDI) a multi disciplinary, not for profit, non government organization, as well as a company limited by guarantee is engaged to wide spectrum of social development activities and seeks to render consultancy and technical assistance to national organizations, both in the public and private sectors

The development objectives of MRDI include upholding and strengthening standards of mass media professionals. Developing modern event management services. Enhancing physical and mental well being of the people, specially those who need them most. Augmenting empowerment of women, adolescents' children, minority and other vulnerable/marginalized section of the population, development of people's education and health.

01.02 Banchte Shekha (BS)

Banchte Shekha (BS) is an NGO located at Shaheed Mashiur Road, Arabpur, Jessore is working to bring about an improved quality of life for the poor women and children in the social and economic sphere, specially by using awareness techniques to empower the beneficiaries with the skills to survive and assist them to access their legal and democratic rights.

01.03 Gramer Kagoj (GK)

Gramer Kagoj (GK), Post office para, Jessore, is the highest circulated local Daily Newspaper published from Jessore.

02 About the Project:

Management and Resources Development Initiative (MRDI) undertook an initiative in partnership with Moushumi Jonno Foundation (MJF) to sensitize the corporate sector and the media on CSR and how CSR funds could effectively be used for supporting sustained development effort.

The project under this initiative "Mainstreaming CSR to Address Poverty (MCAP)" aims to utilize CSR funds in addressing poverty alleviation issues in an effective and sustainable manner. Before going to direct interventions, a multi-phase needs' assessment exercise was conducted through media content screening to

identify the issues and areas related to poverty and deprivation. Also the officials of corporate houses with major involvement in CSR activities were interviewed. Based on the findings of the assessment, the project team finally selected three issues of interventions and locations for their implementation. One such intervention is Livelihood Programme for Poor Women to be implemented at Basatpur village in Sharsha upazila in Jessore district.

MRDI proposed The City Bank Ltd., Bangladesh to finance the project. MRDI requested Banchte Shekha and Amer Kagoj to implement the project. On 03 December, 2011 a Memorandum of Understanding was signed among the parties regarding the project.

B Objective of the Project:

The main objectives of the project are as follows:

- To create women empowerment that would refrain them from going abroad for job.
- To facilitate safe livelihood option for women through developing their skills and involving them in income generating activities.
- To save them from harassment and violence during their journey and in their work place.
- To eliminate the health risk of the girls and women of Basatpur as well as the locality.

B Significant Accounting policies:

.01 Basis of Accounting:

The financial statements of the project have been prepared in accordance with Bangladesh Accounting Standards under Historical cost convention.

.02 Accounting for Grant

Bangladesh Accounting Standard (BAS) 20 "Accounting for Government Grants and Disclosure of Government assistance" has been followed during the year under audit for recognition of grant income. Accordingly accounting adjustments and effects for the prior years have been considered in these accounts.

As per BAS 20, grants received are initially recorded as liability. Grant amount used to acquire fixed assets has been shown as "Fixed Assets Fund". Grant amount used for project expenses has been recognized as income to the extent of expenses incurred.

.03 Fixed Asset:

Depreciation is charged on project assets.

.04 General:

The financial Statements are presented in Bangladesh currency, which has been rounded off to the nearest Taka.

Note	Particulars	Amount in Taka
3.00	Cash in Hand & Cash at Bank	
	Cash in Hand	15,900
	Cash at Bank	649,572
	(with City Bank Ltd., Jessore Branch Account No-3101342727001)	
	Total	665,472
4.00	Fixed Assets	
	Centre Building (note-4.01)	1,344,499
	Machine & equipments (note-4.02)	118,160
	Furniture & fixture (note-4.03)	45,130
	Total	1,507,789
4.01	Centre building	
	Labour	326,830
	Brick	231,875
	Rod	199,228
	Cement	194,895
	Sand	90,700
	Grill, Door, Gate etc.	105,000
	Painting	37,030
	Electric wiring	66,578
	Sanitary fittings	43,534
	Other Expenses	48,829
	Total	1,344,499
4.02	Machine and Equipment	
	Butterfly sewing Machine (10 pcs)	68,060
	Overlock Machine (1 Pcs)	5,800
	Computer	36,776
	Printer	7,524
	Total	118,160
4.03	Furniture & fixture	
	Cutting Table	2,210
	Chair	19,520
	Almira	8,000
	Floor Mat	800
	Table	14,600
	Total	45,130

5.00	Outstanding Liabilities	
	Construction of Centre (Brick)	12,800
	Trainee Allowances-Tailoring	15,500
	Audit Fees	23,000
	Staff Salary:	
	Centre-in-Charge	9,000
	Master Trainer	29,400
	Cutting Master	8,000
	Night Guard	1,500
	Accountant	6,000
	Total	105,200
6.00	Unutilized Fund	
	Fund from City Bank Ltd., Bangladesh (Note-08)	3,297,655
	Add: Interest on Bank deposit	15,214
	Fund Available for utilization	3,312,869
	Less: Fund Transferred to Revenue Income (Note-09)	(1,244,808)
	Less: Fund transferred to Fixed Asset Fund for the purchase of Fixed Assets (Note-07)	(1,507,789)
	Unutilized Fund	560,272
7.00	Fixed Asset Fund	
	Opening	-
	Add: Transfer from fund during the year (Note-06)	1,507,789
	Total	1,507,789
8.00	Fund from The City Bank Ltd., Bangladesh	
	1st Installment on 27.12.2011	1,495,495
	2nd Installment on 12.08.2012	1,048,256
	3rd Installment on 21.11.2012	753,904
	Total	3,297,655
9.00	Revenue Income	
	Transfer from fund received during the year for revenue expenditure (Note-06)	1,244,808
10.00	Salary & allowances	
	Centre-in-Charge	94,000
	Master Trainer	165,000
	Cutting Master	88,000
	Night Guard	16,500
	Accountant	61,000
	Total	424,500

11.00	Trainee Allowances	
	Trainee Allowances-Tailoring	196,950
	Trainee Allowances-Embroidery	187,100
	Total	384,050
12.00	Office Expenses	
	Postage & Communication	260
	Phone/Mobile	200
	Conveyance	31,100
	Maintenance	4,499
	Electricity bill	6,700
	Office Stationery	6,997
	Total	49,756
13.00	Project Operational Cost (For implementing organization)	
	The Daily Gramer Kagoj	74,444
	Banchte Shekha	74,444
	Total	148,888



Manager, Finance



Executive Director

Annexure-A

**Project: "Livelihood programme for women" in Basatpur, Jessore,
Implemented by: Banchte Shekha and Gramer Kagoj, Jessore
Under Supervision & Monitoring by Management and Resources Development Initiative (MRDI)
Statement of Budget Variance
From December 03, 2011 to December 31, 2012**

SL	Major Expenditure	Budget	Expenses	Variance	% of Variance
A	Center Operational Cost				
A.1	Center Launching	100,000	78,815	21,185	21.19%
	Sub-total	100,000	78,815	21,185	21.19%
A.2	Center Set up and running Cost				
A.2.1	Machine & Equipment (20 paddle machine x Tk. 5,500/- and one overlocking x Tk. 7,000/-) with carrying	117,000	73,860	43,140	36.87%
A.2.2	Cutting table (2 Tables X Tk. 6,000/-)	12,000	2,210	9,790	81.58%
A.2.3	Chair (25 chair x Tk. 650/-)	16,250	10,860	5,390	33.17%
A.2.4	Trainee allowance-Tailoring (20 days X 2 batch X 20 persons X Tk.50 X 5 Months)	200,000	196,950	3,050	1.53%
A.2.5	Trainee allowance-Embroidery stitching (20 days X 6 batch X 20 persons X Tk.50 X 5 Months)	600,000	187,100	412,900	68.82%
A.2.6	Training materials (175,000/- per centre)	175,000	135,799	39,201	22.40%
A.2.7	Almirah (Tk. 15,000/- per centre)	15,000	8,000	7,000	46.67%
A.2.8	Solar panel (45,000/- per center)	45,000		45,000	100.00%
A.2.9	Floor Mat (2 Unit @ Tk 3,000/-)	6,000	800	5,200	86.67%
A.2.10	Office table (1 Unit @ Tk. 5,000/-)	5,000		5,000	100.00%
A.2.11	Office file cabinet (1 Unit @ Tk. 5,000/-)	5,000		5,000	100.00%
A.2.12	Construction of the center	500,000	1,344,499	(844,499)	-168.90%
A.2.13	Center In-Charge Salary (Tk. 7,000 X 13 months+ Tk. 7,700 X 13 months and Tk.8470 X 13 months)	301,210	94,000	207,210	68.79%
A.2.14	Master Trainer (3 days 3 visit per month)Tk. 29,400/- per months X 12 months (Including accommodation ,TA,DA)	352,800	165,000	187,800	53.23%
A.2.15	Cutting Master (Tk 15,000/- month including TA & DA X 12 months)	180,000	88,000	92,000	51.11%
A.2.16	Trainer's Salary-2 persons (Tk. 3000 X 11 months+Tk. 3300 X 13 months+Tk. 3630 X 13 months)	246,180	-	246,180	100.00%
A.2.17	Night guard March-11 (Tk.1500/- X 11 months+Tk.1,650/- X 13 months+Tk.1,850 X 13 months)	61,545	16,500	45,045	73.19%
A.2.18	Accountant Salary (7,000/-X 13 months+ Tk. 7,700/- X 13 months +Tk.8,470/- X 13 months)	301,210	61,000	240,210	79.75%
	Sub-total	3,139,195	2,384,578	754,617	24.04%

A.3	Center support cost				
A.3.1	Postage & Communication (Tk. 100 X 36 Months)	3,600	260	3,340	92.78%
A.3.2	Phone/Mobile (Tk 800/- X 36 Months)	28,800	200	28,600	99.31%
A.3.3	Conveyance (Tk.2,425/- X 36 Months)	87,300	31,100	56,200	64.38%
A.3.4	Office Stationery (Tk.1,000/- X 36 Months)	36,000	6,997	29,003	80.56%
A.3.5	Computer (1 Unit)	35,000	36,776	(1,776)	-5.07%
A.3.6	Printer (1 Unit)	12,250	7,524	4,726	38.58%
A.3.7	Table (1 Computer table X Tk 3,500/ + 2 Office t	17,900	14,600	3,300	18.44%
A.3.8	Chair (3 Chairs X Tk.3000/-)	9,000	8,660	340	3.78%
A.3.9	Audit fees (20,000/- X 3)	60,000	23,000	37,000	61.67%
A.3.10	Office maintenance	-	4,499	(4,499)	-100.00%
A.3.11	Electricity	-	6,700	(6,700)	-100.00%
	Sub-total	289,850	140,316	149,534	51.59%
	Total of Center Operational cost (A.1+A.2+A.3)	3,529,045	2,603,709	925,336	26.22%
A.4	Working Capital	300,000	-	300,000	100.00%
B	Operational Cost (12 % on (A.1+A.2+A.3)	423,485	148,888	274,597	64.84%
	Grand Total	4,252,530	2,752,597	1,499,933	35.27%